

## General Assembly

## Amendment

January Session, 2009

LCO No. 6111

\*SB0031206111SD0\*

Offered by:

SEN. COLAPIETRO, 31st Dist.

SEN. HARRIS, 5th Dist.

SEN. MAYNARD, 18th Dist.

REP. PISCOPO, 76th Dist.

REP. URBAN, 43rd Dist.

To: Senate Bill No. **312** File No. 77 Cal. No. 132

## "AN ACT CONCERNING THE SALE OF CIDER AND APPLE WINE ON THE INTERNET."

- Strike everything after the enacting clause and substitute the following in lieu thereof:
- "Section 1. Subsection (c) of section 30-16 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- 6 (c) A manufacturer permit for cider not exceeding six per cent
  7 alcohol by volume and apple wine not exceeding fifteen per cent
  8 alcohol by volume shall allow (1) the manufacture, storage, bottling
  9 and wholesale distribution and sale at retail of such cider and apple
  10 wine to permittees and nonpermittees in this state as may be permitted
  11 by law; but no such permit shall be issued unless the place or the plan

12 of the place of manufacture has received the approval of the 13 department; and (2) the sale and shipment by the holder of such 14 permit of such cider and such apple wine to persons outside the state 15 and to consumers in this state in the same manner and subject to the 16 same conditions as such sale and shipment is permitted for wine by a 17 farm winery manufacturer permittee pursuant to subsection (e) of this 18 section. The annual fee for a manufacturer permit for cider shall be one 19 hundred sixty dollars.

- Sec. 2. Section 30-18a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
  - (a) An out-of-state winery shipper's permit for wine shall allow the sale of wine to manufacturer and wholesaler permittees in this state as permitted by law and for those shippers that produce not more than one hundred thousand gallons of wine per year, the sale and shipment by the holder thereof to a retailer of wine manufactured by such permittee in the original sealed containers of not more than fifteen gallons per container. For purposes of this section, "wine" shall include cider not exceeding six per cent alcohol by volume and apple wine not exceeding fifteen per cent alcohol by volume.
- 31 (b) Subject to the provisions of this subsection, an out-of-state 32 winery shipper's permit for wine shall allow the sale and delivery or 33 shipment of wine manufactured by the permittee directly to a 34 consumer in this state. Such permittee, when selling and shipping 35 wine directly to a consumer in this state, shall: (1) Ensure that the 36 shipping labels on all containers of wine shipped directly to a 37 consumer in this state conspicuously state the following: "CONTAINS 38 ALCOHOL—SIGNATURE OF A PERSON AGE 21 OR OLDER 39 REQUIRED FOR DELIVERY"; (2) obtain the signature of a person age 40 twenty-one or older at the address prior to delivery, after requiring the 41 signer to demonstrate that he or she is age twenty-one or older by 42 providing a valid motor vehicle operator's license or a valid identity 43 card described in section 1-1h; (3) not ship more than five gallons of 44 wine in any two-month period to any person in this state and not ship

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45 any wine until such permittee is registered, with respect to the 46 permittee's sales of wine to consumers in this state, for purposes of the 47 taxes imposed under chapters 219 and 220, with the Department of 48 Revenue Services; (4) pay, to the Department of Revenue Services, all 49 sales taxes and alcoholic beverage taxes due under chapters 219 and 50 220 on sales of wine to consumers in this state, and file, with said 51 department, all sales tax returns and alcoholic beverage tax returns 52 relating to such sales, with the amount of such taxes to be calculated as 53 if the sale were in this state at the location where delivery is made; (5) 54 report to the Department of Consumer Protection a separate and 55 complete record of all sales and shipments to consumers in the state, 56 on a ledger sheet or similar form which readily presents a 57 chronological account of such permittee's dealings with each such 58 consumer; (6) permit the Department of Consumer Protection and 59 Department of Revenue Services, separately or jointly, to perform an 60 audit of the permittee's records upon request; (7) not ship to any 61 address in the state where the sale of alcoholic liquor is prohibited by 62 local option pursuant to section 30-9; (8) hold an in-state transporter's 63 permit pursuant to section 30-19f or make any such shipment through 64 the use of a person who holds such an in-state transporter's permit; 65 and (9) execute a written consent to the jurisdiction of this state, its 66 agencies and instrumentalities and the courts of this state concerning 67 the enforcement of this section and any related laws, rules, or 68 regulations, including tax laws, rules or regulations.

- (c) The Department of Consumer Protection, in consultation with the Department of Revenue Services, may adopt regulations in accordance with the provisions of chapter 54 to assure compliance with the provisions of subsection (b) of this section.
- (d) A holder of an out-of-state winery shipper's permit for wine, when advertising or offering wine for direct shipment to a consumer in this state via the Internet or any other on-line computer network, shall clearly and conspicuously state such liquor permit number in its advertising.

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(e) (1) For purposes of chapter 219, the holder of an out-of-state winery shipper's permit for wine, when shipping wine directly to a consumer in this state, shall be deemed to be a retailer engaged in business in this state as defined in chapter 219 and shall be required to be issued a seller's permit pursuant to chapter 219.

- (2) For purposes of chapter 220, the holder of an out-of-state winery shipper's permit for wine, when shipping wine directly to a consumer in this state, shall be deemed to be a distributor as defined in chapter 220 and shall be required to be licensed pursuant to chapter 220.
- (f) Any person who applies for an out-of-state winery shipper's permit for wine or for the renewal of such permit shall furnish an affidavit to the Department of Consumer Protection, in such form as may be prescribed by the department, affirming whether the out-of-state winery that is the subject of such permit produced more than one hundred thousand gallons of wine during the most recently completed calendar year.
- 94 (g) The annual fee for an out-of-state winery shipper's permit for 95 wine shall be two hundred fifty dollars.
  - (h) As used in this section, "out-of-state" means any state other than Connecticut, any territory or possession of the United States, the District of Columbia or the Commonwealth of Puerto Rico, but does not include any foreign country.
- Sec. 3. (NEW) (Effective from passage) (a) A wine festival permit shall 100 101 allow the holder of a manufacturer permit for a farm winery, issued 102 pursuant to section 30-16 of the general statutes, to participate in a 103 wine festival organized and sponsored by an association that promotes 104 the manufacturing and selling of farm wine in this state or such 105 association's not-for-profit subsidiary. Such association or such 106 association's not-for-profit subsidiary shall not organize and sponsor 107 more than one such wine festival in any calendar year. The 108 Commissioner of Consumer Protection shall allow only one such wine 109 festival in any calendar year, regardless of the number of such farm

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winery permittees or such organizing and sponsoring associations or not-for-profit subsidiaries participating in such wine festival.

- (b) A wine festival permit shall authorize: (1) The sale and shipment of wine manufactured by the farm winery permittee and sold at such wine festival to persons outside the state; (2) the offering and tasting of free samples of wine to visitors and prospective retail customers for consumption on the grounds of the wine festival; (3) the sale at retail of sealed bottles or other sealed containers of wine for consumption off the grounds of the wine festival; and (4) the sale at retail of wine by the glass or receptacle, provided the glass or receptacle is embossed or otherwise permanently labeled with the name and date of the wine festival.
- (c) No farm winery permittee may sell, offer or give to any person or entity wine not manufactured by such farm winery.
- (d) Only one wine festival permit may be issued per calendar year pursuant to this section by the Commissioner of Consumer Protection to each holder of a manufacturer permit for a farm winery. A wine festival permit shall not be effective for more than three consecutive days per calendar year. The fee for a wine festival permit shall be seventy-five dollars.
- 130 Sec. 4. (NEW) (Effective from passage) (a) Notwithstanding the 131 provisions of section 30-18a of the general statutes, an out-of-state 132 person or entity holding a valid permit (1) authorizing the 133 manufacturing of farm wine; and (2) issued by another state may 134 obtain an out-of-state entity wine festival permit, to participate in an 135 out-of-state entity wine festival in this state. The Commissioner of 136 Consumer Protection shall only allow one out-of-state entity wine 137 festival in any calendar year, regardless of the number of out-of-state 138 entities participating in such festival.
- (b) An out-of-state entity wine festival permit shall authorize in this state: (1) The sale and shipment of wine manufactured by the permittee and sold at such festival to persons outside the state; (2) the

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offering and tasting of free samples of wine to visitors and prospective retail customers for consumption on the grounds of the wine festival; (3) the sale at retail of sealed bottles or other sealed containers of wine for consumption off the grounds of the wine festival; and (4) the sale at retail of wine by the glass or receptacle, provided the glass or receptacle is embossed or otherwise permanently labeled with the name and date of the wine festival.

- (c) No out-of-state entity wine festival permittee shall sell, offer or give to any person or entity wine not manufactured by such permittee.
- (d) No out-of-state entity wine festival permittee shall sell, offer or give to any person or entity wine manufactured by such permittee unless such wine is assigned to a wholesaler permittee in this state.
- (e) The holder of an out-of-state entity wine festival permit shall disclose to each person who purchases admission to a wine festival in which the holder is participating, at the time of purchase, any restriction or limitation of such admission, including, but not limited to, the maximum number of glasses or receptacles of wine or brandy to which the purchaser is entitled by admission to the wine festival.
- (f) Only one out-of-state entity wine festival permit may be issued per calendar year pursuant to this section by the Commissioner of Consumer Protection to each person or entity meeting the requirements of subsection (a) of this section. An out-of-state entity wine festival permit shall not be effective for more than three consecutive days per calendar year. The fee for an out-of-state entity wine festival permit shall be seventy-five dollars.
- Sec. 5. Subsection (a) of section 30-48 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- 170 (a) No backer or permittee of one permit class shall be a backer or 171 permittee of any other permit class except in the case of any class of 172 airport, railroad, airline and boat permits, and except that: (1) A backer

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of a hotel or restaurant permit may be a backer of both such classes; (2) a holder or backer of a manufacturer permit for a brew pub, a restaurant permit or a cafe permit may be a holder or backer of any other or all of such classes; (3) a holder or backer of a restaurant permit may be a holder or backer of a bowling establishment permit; (4) a backer of a restaurant permit may be a backer of a coliseum permit or a coliseum concession permit, or both, when such restaurant is within a coliseum; (5) a backer of a hotel permit may be a backer of a coliseum permit or a coliseum concession permit, or both; (6) a backer of a coliseum permit may be a backer of a coliseum concession permit; (7) a backer of a coliseum concession permit may be a backer of a coliseum permit; (8) a backer of a grocery store beer permit may be a backer of a package store permit if such was the case on or before May 1, 1996; (9) a backer of a university permit may be a backer of a nonprofit theater permit; (10) subject to the discretion of the department, a backer of a permit provided for in section 30-33b, may be a backer of any other retail on-premise consumption permit, including those permits provided for in section 30-33b; (11) a backer of a nonprofit theater permit may be a holder or backer of a hotel permit; (12) a holder or backer of a restaurant permit may be a holder or backer of a special outing facility permit; (13) a backer of a concession permit may be a backer of a coliseum permit or a coliseum concession permit, or both; (14) a holder of an out-of-state winery shipper's permit for wine may be a holder of an in-state transporter's permit or an out-of-state entity wine festival permit issued pursuant to section 4 of this act, or of both such permits; (15) a holder of an out-of-state shipper's permit for alcoholic liquor other than beer may be a holder of an in-state transporter's permit; and (16) a holder of a manufacturer's permit for a farm winery may be a holder of an in-state transporter's permit or a wine festival permit issued pursuant to section 3 of this act, or of both such permits. Any person may be a permittee of more than one permit. A person may be a permittee under a permit provided for in section 30-33b and a backer of any other retail on-premise consumption permit, including those permits provided for in section 30-33b. The operator of a racing or jai alai exhibition with pari-mutuel betting

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licensed by the Gaming Policy Board may be a backer of any permit provided for in section 30-33b. No holder of a manufacturer permit for a brew pub and no spouse or child of such holder may be a holder or backer of more than three restaurant permits or cafe permits.

- Sec. 6. Section 30-91 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- 214 (a) The sale or the dispensing or consumption or the presence in 215 glasses or other receptacles suitable to permit the consumption of 216 alcoholic liquor by an individual in places operating under hotel 217 permits, restaurant permits, cafe permits, restaurant permits for 218 catering establishments, bowling establishment permits, racquetball 219 facility permits, club permits, coliseum permits, coliseum concession 220 permits, special sporting facility restaurant permits, special sporting 221 facility employee recreational permits, special sporting facility guest 222 permits, special sporting facility concession permits, special sporting 223 facility bar permits, golf country club permits, nonprofit public 224 museum permits, university permits, airport restaurant permits, 225 airport bar permits, airport airline club permits, tavern permits, a 226 manufacturer permit for a brew pub, casino permits, caterer liquor 227 permits and charitable organization permits shall be unlawful on: (1) 228 Monday, Tuesday, Wednesday, Thursday and Friday between the 229 hours of one o'clock a.m. and nine o'clock a.m.; (2) Saturday between 230 the hours of two o'clock a.m. and nine o'clock a.m.; (3) Sunday 231 between the hours of two o'clock a.m. and eleven o'clock a.m.; (4) 232 Christmas, except (A) for alcoholic liquor that is served where food is 233 also available during the hours otherwise permitted by this section for 234 the day on which Christmas falls, and (B) by casino permittees at 235 casinos, as defined in section 30-37k; and (5) January first between the 236 hours of three o'clock a.m. and nine o'clock a.m., except that on any 237 Sunday that is January first the prohibitions of this section shall be 238 between the hours of three o'clock a.m. and eleven o'clock a.m.
- 239 (b) Any town may, by vote of a town meeting or by ordinance, 240 reduce the number of hours during which sales under subsection (a) of

241 this section, except sales pursuant to an airport restaurant permit, 242 airport bar permit or airport airline club permit, shall be permissible. 243 In all cases when a town, either by vote of a town meeting or by 244 ordinance, has acted on the sale of alcoholic liquor or the reduction of 245 the number of hours when such sale is permissible, such action shall 246 become effective on the first day of the month succeeding such action 247 and no further action shall be taken until at least one year has elapsed 248 since the previous action was taken.

- (c) Notwithstanding any provisions of subsections (a) and (b) of this section, [to the contrary,] such sale or dispensing or consumption or presence in glasses in places operating under a bowling establishment permit shall be unlawful before two p.m. on any day, except in that portion of the permit premises which is located in a separate room or rooms entry to which, from the bowling lane area of the establishment, is by means of a door or doors which shall remain closed at all times except to permit entrance and egress to and from the lane area. Any alcoholic liquor sold or dispensed in a place operating under a bowling establishment permit shall be served in containers such as, but not limited to, plastic or glass. Any town may, by vote of a town meeting or by ordinance, reduce the number of hours during which sales under this subsection shall be permissible.
- 262 (d) The sale or dispensing of alcoholic liquor in places operating 263 under package store permits, drug store permits, manufacturer 264 permits for beer or grocery store beer permits shall be unlawful on 265 Decoration Day, Independence Day, Labor Day, Thanksgiving Day, 266 New Year's Day, Sunday or Christmas or, if Independence Day, 267 Christmas or New Year's Day occurs on a Sunday, on the Monday next 268 following such day except that such sale or dispensing shall be lawful 269 on any Independence Day occurring on a Saturday; and such sale or 270 dispensing of alcoholic liquor in places operating under package store 271 permits, drug store permits, manufacturer permits for beer and 272 grocery store beer permits shall be unlawful on any other day before 273 eight o'clock a.m. and after nine o'clock p.m. It shall be unlawful for 274 the holder of a manufacturing permit for a brew pub to sell beer for

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consumption off the premises on the days or hours prohibited by this subsection. Any town may, by a vote of a town meeting or by ordinance, reduce the number of hours during which such sale shall be permissible.

- (e) In the case of any premises operating under a tavern permit or premises operating under a cafe permit, wherein, under the provisions of this section, the sale of alcoholic liquor is forbidden on certain days or hours of the day, or during the period when a tavern permit or cafe permit is suspended, it shall likewise be unlawful to keep such premises open to, or permit it to be occupied by, the public on such days or hours.
- (f) The retail sale of wine and the tasting of free samples of wine by visitors and prospective retail customers of a permittee holding a manufacturer permit for a farm winery on the premises of such permittee shall be unlawful on Sunday before eleven o'clock a.m. and after eight o'clock p.m. and on any other day before ten o'clock a.m. and after eight o'clock p.m. Any town may, by vote of a town meeting or by ordinance, reduce the number of hours during which sales and the tasting of free samples of wine under this subsection shall be permissible.
- (g) Notwithstanding any provision of subsection (a) of this section, [to the contrary,] food or nonalcoholic beverages may be sold, dispensed or consumed in places operating under an airport restaurant permit, an airport bar permit or an airport airline club permit, at any time, as allowed by agreement between the state of Connecticut and its lessees or concessionaires.
- (h) The sale or the dispensing or consumption or the presence in glasses or other receptacles suitable to permit the consumption of alcoholic liquor by an individual in places operating under a nonprofit golf tournament permit shall be unlawful on any day prior to eleven o'clock a.m. and after nine o'clock p.m.
- 306 (i) The tasting of free samples of beer by visitors of a permittee

307 holding a manufacturing permit for beer on the premises of such 308 permittee shall be unlawful on Sunday before eleven o'clock a.m. and 309 after eight o'clock p.m. and on any other day before ten o'clock a.m. 310 and after eight o'clock p.m. Nothing in this section shall be construed 311 to limit the right of a holder of such permit to conduct manufacturing 312 operations at any time. Any town may, by vote of a town meeting or 313 ordinance, reduce the number of hours during which the tasting and 314 free samples of beer under this subsection shall be permissible.

- (j) Nothing in this section shall be construed to require any permittee to continue the sale or dispensing of alcoholic liquor until the closing hour established under this section.
- 318 (k) The retail sale of wine and the tasting of free samples of wine by 319 visitors and prospective retail customers of a permittee holding a wine 320 festival permit or an out-of-state entity wine festival permit issued 321 pursuant to section 3 or 4 of this act shall be unlawful on Sunday 322 before eleven o'clock a.m. and after eight o'clock p.m., and on any 323 other day before ten o'clock a.m. and after eight o'clock p.m. Any town 324 may, by vote of a town meeting or by ordinance, reduce the number of 325 hours during which the retail sale of wine and the tasting of free 326 samples of wine pursuant to this subsection shall be permissible.
  - Sec. 7. (NEW) (Effective from passage) A permittee holding a wine festival permit or an out-of-state entity wine festival permit issued pursuant to section 3 or 4 of this act shall notify the chief municipal law enforcement official in the municipality in which such permittee intends to hold a wine festival of the dates and hours such wine festival is scheduled to take place. Such notification shall be in writing and shall be delivered to such official not later than seven days prior to the commencement of such wine festival.
- Sec. 8. Subsection (f) of section 30-91 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July* 1, 2009):
- (f) The retail sale of wine and the tasting of free samples of wine by

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visitors and prospective retail customers of a permittee holding a manufacturer permit for a farm winery on the premises of such permittee shall be unlawful on Sunday before eleven o'clock a.m. and after [eight] <u>nine</u> o'clock p.m. and on any other day before ten o'clock a.m. and after [eight] <u>nine</u> o'clock p.m. Any town may, by vote of a town meeting or by ordinance, reduce the number of hours during which sales and the tasting of free samples of wine under this subsection shall be permissible."

This act shall take effect as follows and shall amend the following sections:		
Section 1	from passage	30-16(c)
Sec. 2	from passage	30-18a
Sec. 3	from passage	New section
Sec. 4	from passage	New section
Sec. 5	from passage	30-48(a)
Sec. 6	from passage	30-91
Sec. 7	from passage	New section
Sec. 8	July 1, 2009	30-91(f)